

# Sample Price Negotiation Memorandum Template

TASK ORDER NO.

STAR PROJECT No. **INSERT AGENCY NAME**

**INSERT CITY, STATE**

## REQUIREMENT/PURPOSE OF NEGOTIATION:

The **INSERT AGENCY** requires a minimum of **00,000 ANSI/BOMA** square feet of **office, warehouse, parking, etc** space for **personnel, furnishings and equipment** in **INSERT CITY, STATE**. The term is for **INSERT YEARS (00) years, INSERT FIRM YEARS (00) years** firm. The offered space must meet Government requirements for fire and life safety and accessibility requirements, and must have **INSERT UNIQUE REQUIREMENTS**. A minimum of **00** parking spaces must be available for Government use.

## BACKGROUND:

**INSERT NAME OF NATIONAL BROKER CONTRACTOR (IF APPLICABLE)** received task order from the General Services Administration, on **INSERT MONTH DAY YEAR** with the above space request. An advertisement was posted in Federal Business Opportunities on **INSERT MONTH DAY YEAR** and **INSERT NUMBER** Expressions of Interest were received. In addition to the FBO ad posted, the local market expert surveyed the market for all viable alternatives within the delineated area.

A market survey was conducted on **INSERT MONTH DAY YEAR**. **INSERT NUMBER** buildings were identified that could potentially meet the requirements of the task order:

1. **LIST BUILDINGS BY ADDRESS**
- 2.

The market survey report and market survey forms are located in the Lease file.

## METHOD:

Full and open competition

## NEGOTIATION OBJECTIVES:

Preliminary negotiation objectives were developed at project inception, updated in response to discussions with the Government during the Task Order and Project Orientation meetings and subsequently finalized.

ITEM	OBJECTIVE RANGE	DATA SOURCE
Shell Rental Rate	[Dollar Amount]	
Tenant Improvement	[Dollar Amount]	
Amortization Rate	[Dollar Amount]	
Base Cost of Service	[Dollar Amount]	
Base Year Taxes	[Dollar Amount]	
Hourly Overtime Rate	[Dollar Amount]	
Adjustment for Vacant Premises	[Dollar Amount]	
Parking	[Dollar Amount]	
Other	[Dollar Amount]	

**DESCRIPTION OF ACQUISITION:**

The Solicitation for Offer (SFO) Number \_\_\_\_ was issued on INSERT MONTH DAY YEAR and initial offers were due INSERT MONTH DAY YEAR. INSERT # OF OFFERS offers were received. Initial offers are located in the Lease File.

**RECORD OF NEGOTIATIONS/ SUMMARY OF NEGOTIATIONS:**

Initial offers were received on INSERT MONTH DAY YEAR, reviewed and abstracted, and deficiency letters were sent in response to these offers on INSERT MONTH DAY YEAR.

INSERT NUMBER second offers were received on INSERT MONTH DAY YEAR. Updated negotiation objectives were prepared for each offer and negotiation sessions were held with offerors as follows:

1. INSERT MONTH DAY YEAR and OFFEROR NAME (Identifying the name, position, and organization of each person representing the contractor and the Government in the negotiations): Summarize financial negotiations and discussions with offerors which resulted in material changes to the rate proposal or lease documents. INCLUDE items such as rental rate changes or changes to agency special requirements or General Clauses. Do NOT include administrative or compliance detail such as initialing pages on government forms, correction of calculation errors, CCR registrations, or other detail unrelated to price or business terms.
2. INSERT MONTH DAY YEAR and OFFEROR NAME (Identifying the name, position, and organization of each person representing the contractor and the Government in the negotiations): Summarize financial negotiations and discussions with offerors which resulted in material changes to the rate proposal or lease documents. INCLUDE items such as rental rate changes or changes to agency special requirements or General Clauses. Do NOT include administrative or

compliance detail such as initialing pages on government forms, correction of calculation errors, CCR registrations, or other detail unrelated to price or business terms.

3. **INSERT MONTH DAY YEAR and OFFEROR NAME** (Identifying the name, position, and organization of each person representing the contractor and the Government in the negotiations): Summarize financial negotiations and discussions with offerors which resulted in material changes to the rate proposal or lease documents. **INCLUDE** items such as rental rate changes or changes to agency special requirements or General Clauses. **Do NOT** include administrative or compliance detail such as initialing pages on government forms, correction of calculation errors, CCR registrations, or other detail unrelated to price or business terms.

**A follow-up letter was sent to each Offeror and additional clarifications were received INSERT MONTH DAY YEAR. Copies of these letters can be found in the lease file.**

#### **FINAL REVISED PROPOSALS:**

Indicate any offerors who withdrew prior to BAFOs, or offers deemed non-responsive to solicitation requirements. These offers were: **LIST WITHDRAWN** or **NON RESPONSIVE OFFERS**

Accordingly, Final Revised Proposal letters were issued to the remaining **insert number** Offerors on **INSERT MONTH DAY YEAR** with a response date of **INSERT MONTH DAY YEAR**.

Please refer to the lease file for offer abstracts, correspondence and negotiation notes for each offer.

#### **OFFER COMPARISON:**

By the close of BAFO, **INSERT NUMBER** offers were received for this procurement. A present value price evaluation of these offers was conducted by **INSERT BROKER NAME** and submitted to COTR **INSERT COTR NAME** for review and approval. The results of the evaluation, ranked from lowest to highest responsive offer, are summarized below.

1. PV of **\$XX.XX** per ANSI/BOMA Office Area Foot: **INSERT ADDRESS**
  - a. Summarize additional relevant considerations here, such as “Includes one year’s free rent” or “Deemed non-responsive due to ...”
2. PV of **\$XX.XX** per ANSI/BOMA Office Area Foot: **INSERT ADDRESS**
3. PV of **\$XX.XX** per ANSI/BOMA Office Area Foot: **INSERT ADDRESS**

AWARD DETERMINATION (INCLUDING FAIR AND REASONABLE DETERMINATION):

With a net present value of \$00.00 per USF, the offer from INSERT OFFEROR NAME at INSERT ADDRESS is the lowest-priced, technically-responsive offer to the SFO, and as such, is the successful Offeror. INSERT SUCCESSFUL BUILDING NAME /ADDRESS offered the shell rate of \$XX.XX per RSF / \$XX.XX per ABOAF. The objective rental rate stated in the Negotiation Objectives ranged from \$XX.XX to \$XX.XX per RSF. This rate compares favorably with current market conditions, as supported by the Negotiation Objectives prepared for this procurement. [Free text. Insert detail, mitigating circumstances, special requirements which are not customary in the market place, premium for Build-to-Suit, etc. Insert percentage difference between objective and negotiated rates]. The Government has determined that the successful Offeror's offer is fair and reasonable and that it is in the best interest of the Government to award this lease to the successful Offeror, to meet the requirements identified in SFO Number \_\_\_\_.

Prepared By:

\_\_\_\_\_

Name:

\_\_\_\_\_

Date

Approved By:

\_\_\_\_\_

Contracting Officer

\_\_\_\_\_

Date